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PLUS VALUE INTERNATIONAL LIMITED
(Incorporated in the British Virgin Islands with limited liability)

HANBO ENTERPRISES HOLDINGS LIMITED
恒寶企業控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1367)

JOINT ANNOUNCEMENT

**(1) SALE AND PURCHASE OF SHARES OF
HANBO ENTERPRISES HOLDINGS LIMITED;**
**(2) POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES
BY HAITONG INTERNATIONAL SECURITIES COMPANY LIMITED
FOR AND ON BEHALF OF PLUS VALUE INTERNATIONAL LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES
IN THE SHARE CAPITAL OF
HANBO ENTERPRISES HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY PLUS VALUE INTERNATIONAL LIMITED)**

Financial adviser to the Offeror



Financial adviser to Hanbo Enterprises Holdings Limited



THE SALE AND PURCHASE AGREEMENT

The Company has been informed that after trading hours on 17 October 2016, the Vendors, the Guarantors, the Purchaser and the Purchaser's Guarantor entered into the Sale and Purchase Agreement in relation to the conditional sale and purchase of the Sale Shares, being 360,000,000 Shares, representing 75.00% of the existing issued share capital of the Company as at the date of this joint announcement, for an aggregate consideration of HK\$513,750,000, equivalent to approximately HK\$1.4271 per Sale Share, which is to be fully settled upon Completion. The Completion is conditional upon the conditions precedent to be fulfilled or waived (as the case may be) as set out in the Sale and Purchase Agreement. The Completion is to take place on or before the sixth (6) Business Day next following the date of fulfilment or waiver (as the case may be) of the conditions precedent pursuant to the Sale and Purchase Agreement or such other date as the parties may agree in writing.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES

As at the date of this joint announcement, the Offeror and parties acting in concert with it do not hold any Shares in the share capital or voting rights of the Company.

Immediately following the Completion, the Offeror and parties acting in concert with it will be interested in 360,000,000 Shares, representing 75.00% of the existing issued share capital of the Company. Pursuant to Rules 26.1 of the Takeovers Code, following the Completion, the Offeror will be required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror).

Subject to the Completion, Haitong International Securities will, for and on behalf of the Offeror, make the Share Offer to acquire all of the Offer Shares on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

For each Offer Share HK\$1.4271 in cash

The Share Offer Price of HK\$1.4271 per Offer Share is determined with reference to the purchase price per Sale Share under the Sale and Purchase Agreement, which was arrived after arm's length negotiations between the Purchaser and the Vendors.

The Share Offer will be unconditional in all respects.

The Share Offer Price of HK\$1.4271 represents a discount of approximately 0.90% to the closing price of HK\$1.44 per Offer Share as quoted on the Stock Exchange on the date of this joint announcement.

VALUE OF THE SHARE OFFER

Upon Completion, excluding 360,000,000 Shares to be held by the Offeror and parties acting in concert with it, the number of Shares subject to the Share Offer is 120,000,000.

Based on the Share Offer Price of HK\$1.4271 per Offer Share for 120,000,000 Offer Shares, the Share Offer is valued at HK\$171,252,000.

CONFIRMATION OF FINANCIAL RESOURCES

The Offeror intends to finance the consideration payable by the Offeror under the Sale and Purchase Agreement and the Share Offer by internal resources and the Facilities.

Haitong International Capital, as the financial adviser to the Offeror in respect of the Share Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable by the Offeror pursuant to the Sale and Purchase Agreement and the consideration in respect of full acceptance of the Share Offer.

INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

Following completion of the Share Offer, the Offeror will review the businesses of the Group to consider and determine what changes, if any, would be necessary, appropriate or desirable, in both long term and short term, in order to best organise and optimise the businesses and operations of the Group.

As at the date of this joint announcement, the Offeror intends that the Group will continue to operate its business in substantially its current state. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group's businesses and operations in order to increase the value of the Group, taking into consideration the interests of the Shareholders as a whole.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror does not intend to avail itself of any powers of compulsory acquisition in respect of the Company. The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on the Stock Exchange and procure that not less than 25% of the entire issued share capital in the Company be held by the public in compliance with the Listing Rules. The sole director of the Offeror and the Director(s) to be appointed after the issue of the Composite Document will jointly and severally undertake to the Stock Exchange to take appropriate steps following the close of the Share Offer to ensure that such number of Shares as may be required by the Stock Exchange are held by the public within the prescribed time frame.

According to the Listing Rules, if, upon the close of the Share Offer, less than the minimum prescribed percentage applicable to the Company, being 25%, of the issued Shares are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange may exercise its discretion to suspend trading in the Shares.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises all the independent non-executive Directors, namely Mr. Chung Kwok Pan, Mr. Lai Kin Keung and Mr. Lau Chart Chou, has been established to make a recommendation to the Independent Shareholders in relation to the Share Offer as to whether the terms of the Share Offer are fair and reasonable and as to the acceptance of the Share Offer.

An Independent Financial Adviser will be appointed pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee in connection with the Share Offer. A further announcement will be made by the Company as soon as possible after the Independent Financial Adviser has been appointed.

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Offeror and the Board that the offer document from the Offeror and the offeree board circular from the Company be combined in a composite document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, details of the Share Offer (including the expected timetable in relation to the Share Offer), a letter from the Independent Board Committee and a letter from the Independent Financial Adviser in relation to the Share Offer, together with the relevant form of acceptance and transfer of Shares in respect of the Share Offer, will be despatched to the Independent Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code.

The Share Offer is a mandatory unconditional cash offer and will only be made if the Completion takes place. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers. This joint announcement is made in compliance with the Takeovers Code for the purpose of, among other things, informing the Shareholders and potential investors of the Company of the Share Offer to be made. The Directors make no recommendation as to the fairness or reasonableness of the Share Offer or as to the acceptance of the Share Offer in this joint announcement.

The Independent Shareholders are encouraged to read the Composite Document carefully, including the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser as to whether the terms of the Share Offer are fair and reasonable so far as the Independent Shareholders are concerned and its acceptance before deciding whether or not to accept the Share Offer.

The Company has been informed that after trading hours on 17 October 2016, the Vendors, the Guarantors, the Purchaser and the Purchaser's Guarantor entered into the Sale and Purchase Agreement in relation to the sale and purchase of the Sale Shares.

THE SALE AND PURCHASE AGREEMENT

Set out below are the principal terms of the Sale and Purchase Agreement.

Date

17 October 2016

Parties

- (i) the Purchaser (as the purchaser of the Sale Shares);
- (ii) the Purchaser's Guarantor (as the guarantor of the Purchaser);
- (iii) the Vendors (as the vendors of the Sale Shares);

- (iv) the Guarantor A (as the guarantor of Happy Zone Limited); and
- (v) the Guarantor B (as the guarantor of Capital Oasis Holdings Limited).

Subject of the Sale and Purchase Agreement

Pursuant to the Sale and Purchase Agreement, the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares, being 360,000,000 Shares, representing 75.00% of the existing issued share capital of the Company as at the date of this joint announcement, for an aggregate consideration of HK\$513,750,000.

Consideration for the Sale Shares

The aggregate consideration for the Sale Shares is HK\$513,750,000, equivalent to approximately HK\$1.4271 per Sale Share, which was agreed between the Purchaser and the Vendors after arm's length negotiations and is to be fully settled upon Completion.

Conditions Precedent

The Completion is conditional upon:

- (i) the listing of the Shares not having been cancelled or withdrawn on the date of the Completion (save for any temporary suspension required for announcements in connection with the Sale and Purchase Agreement, or the trading of the Shares on the Stock Exchange not having been suspended for a period of longer than 14 consecutive days);
- (ii) all consents and approvals from the regulatory authorities which are necessary and required to implement the transactions contemplated under the Sale and Purchase Agreement having been obtained;
- (iii) all third party approvals and consents required by any member of the Group for the transactions contemplated under the Sale and Purchase Agreement to proceed without causing any material adverse change (as defined in the Sale and Purchase Agreement), and such consents and approval remaining in full force and effect as at the Completion required by any member of the Group, the Vendors and the Guarantors being obtained;
- (iv) the warranties on the part of the Vendors and the Guarantors given pursuant to the Sale and Purchase Agreement remaining true and accurate in all material respects and not misleading in any material respect as of the date of the Completion by reference to the facts and circumstances subsisting as at the date of the Completion; and
- (v) there being no material adverse change (as defined in the Sale and Purchase Agreement) from 31 December 2015 up to and including the date of the Completion.

Any conditions precedent above may only be waived by the Purchaser in writing. If any of the above conditions precedent has not been fulfilled or waived (as the case may be) on or before 31 October 2016 (or such later date as the parties may agree in writing) then the Sale and Purchase Agreement will lapse immediately thereafter and be of no further effect and neither party to the Sale and Purchase Agreement is to have any claim against or liability or obligation to the other party under the Sale and Purchase Agreement, save and except for any claim any party may have against the other arising from the antecedent breaches of the terms of the Sale

and Purchase Agreement. The earnest money in the amount of HK\$20 million paid by the Offeror is to be refunded to the Offeror or forfeited to the Vendors as provided for in the Sale and Purchase Agreement.

As at the date of this joint announcement, the Company confirms that no consents and approvals in referred to condition (ii) and (iii) mentioned above are required to implement the transactions contemplated under the Sale and Purchase Agreement.

Completion

The Completion is to take place on or before the sixth (6th) Business Day next following the date of fulfilment or waiver (as the case may be) of the conditions precedent pursuant to the Sale and Purchase Agreement or such other date as the parties may agree in writing.

Shareholding structure of the Company

The table below sets out the shareholding structure of the Company (i) as at the date of this joint announcement; and (ii) upon Completion but before the Share Offer is made:

	As at the date of this joint announcement		Immediately upon Completion but before the Share Offer is made	
	<i>Number of Shares</i>	<i>Percentage of shareholding (approximately) (%)</i>	<i>Number of Shares</i>	<i>Percentage of shareholding (approximately) (%)</i>
Vendors				
Happy Zone Limited	156,060,000	32.51	—	—
Mr. Cheng Lap Yin	165,600,000	34.50	—	—
Capital Oasis Holdings Limited	18,360,000	3.83	—	—
Mr. Yu Yuen Mau, Banny	10,800,000	2.25	—	—
Mr. Kao Lap Shing	<u>9,180,000</u>	<u>1.91</u>	<u>—</u>	<u>—</u>
	360,000,000	75.00	—	—
The Offeror and parties acting in concert with it				
The Purchaser	<u>—</u>	<u>—</u>	<u>360,000,000</u>	<u>75.00</u>
Public Shareholders	<u>120,000,000</u>	<u>25.00</u>	<u>120,000,000</u>	<u>25.00</u>
Total	<u>480,000,000</u>	<u>100.00</u>	<u>480,000,000</u>	<u>100.00</u>

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES

As at the date of this joint announcement, the Offeror and parties acting in concert with it do not hold any Shares in the share capital or voting rights of the Company.

Immediately following Completion, the Offeror and parties acting in concert with it will be interested in 360,000,000 Shares, representing 75.00% of the existing issued share capital of the Company. Pursuant to Rules 26.1 of the Takeovers Code, following Completion, the Offeror will be required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror).

As at the date of this joint announcement, the Company has 480,000,000 Shares in issue. The Company or parties acting in concert with it does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and has not entered into and is not expected to enter into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares, as at the date of this joint announcement.

Subject to Completion, Haitong International Securities will, for and on behalf of the Offeror, make the Share Offer to acquire all of the Offer Shares on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

Consideration of the Share Offer

For each Offer Share HK\$1.4271 in cash

The Share Offer Price of HK\$1.4271 per Offer Share is determined with reference to the purchase price per Sale Share under the Sale and Purchase Agreement, which was arrived after arm's length negotiations between the Purchaser and the Vendors.

The Share Offer will be unconditional in all respects.

Comparisons of value

The Share Offer Price of HK\$1.4271 represents:

- (i) a discount of approximately 0.90% to the closing price of HK\$1.44 per Share as quoted on the Stock Exchange on 17 October 2016, being the date of this joint announcement;
- (ii) a discount of approximately 4.48% to the average closing price of approximately HK\$1.494 per Share for the last five consecutive trading days immediately up to and including the date of this joint announcement;
- (iii) a discount of approximately 1.17% to the average closing price of approximately HK\$1.444 per Share for the last ten consecutive trading days immediately up to and including the date of this joint announcement;
- (iv) a premium of approximately 6.74% over the average closing price of approximately HK\$1.337 per Share for the last thirty consecutive trading days immediately up to and including the date of this joint announcement; and
- (v) a premium of approximately 387.73% over the net asset value per share of HK\$0.2926, calculated based on the unaudited consolidated net asset value attributable to the Shareholders as at 30 June 2016, divided by the number of issued Shares as at the date of this joint announcement.

Highest and lowest Share prices

During the six-month period preceding the date of this joint announcement and including the date of this joint announcement, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.53 on 12 October 2016 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.75 on 13 May 2016.

Holdings of Shares by the Offeror and parties acting in concert with it

Upon Completion, Mr. Lai, through the Offeror (which is wholly-owned by Mr. Lai), will hold an aggregate of 360,000,000 Shares, representing 75.00% of the existing issued share capital of the Company.

As at the date of this joint announcement, the Offeror and parties acting in concert with it do not have, control or have direction over any other Shares, options, derivatives, warrants or securities which are convertible into or exchangeable for securities of the Company or any other interests in the issued share capital or voting rights of the Company.

Dealings in securities in the Company

Save for the Sale Shares and the Share Charges, the Offeror and parties acting in concert with it have not dealt in the Shares, convertible securities, warrants, options or derivatives of the Company during the six-month period immediately prior to the date of this joint announcement.

Settlement of consideration

Settlement of the consideration in respect of acceptances of the Share Offer will be made as soon as possible but in any event within seven (7) Business Days of the date of receipt of duly completed and valid acceptances in respect of the Offer Shares. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Share Offer complete and valid.

No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder who accepts the Share Offer will be rounded up to the nearest cent.

VALUE OF THE SHARE OFFER

Upon Completion, excluding 360,000,000 Shares to be held by the Offeror, the number of Shares subject to the Share Offer is 120,000,000.

Based on the Share Offer Price of HK\$1.4271 per Offer Share for 120,000,000 Offer Shares, the Share Offer is valued at HK\$171,252,000.

CONFIRMATION OF FINANCIAL RESOURCES

The Offeror intends to finance the consideration payable by the Offeror under the Sale and Purchase Agreement and the Share Offer by internal resources and the Facilities.

Haitong International Capital, as the financial adviser to the Offeror in respect of the Share Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable by the Offeror pursuant to the Sale and Purchase Agreement and the consideration in respect of full acceptance of the Share Offer.

FURTHER TERMS OF THE SHARE OFFER

Acceptance of the Share Offer

The Share Offer is made on the basis that acceptance of the Share Offer by any person will constitute a warranty by such person or persons to the Offeror that the Offer Shares acquired under the Share Offer are sold by such person or persons free from all Encumbrances and together with all rights attaching thereto as at the Closing Date or subsequently becoming attached to them, including the right to receive in full all dividends (whether final or interim) and other distributions, if any, declared, made or paid on or after the Closing Date.

The Share Offer will be made in compliance with the Takeovers Code which is administered by the Executive.

Stamp Duty in Hong Kong

Sellers' ad valorem stamp duty arising in connection with acceptance of the Share Offer will be payable by each Accepting Shareholder at the rate of 0.1% of the consideration payable by the Offeror for such person's Offer Shares or if higher, the market value of the Shares, and will be deducted from the cash amount due to such Accepting Shareholder. The Offeror will pay the buyer's ad valorem stamp duty in relation to the Share Offer on its own behalf.

Taxation advice

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Share Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, Haitong International Capital and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Share Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Share Offer.

INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

Following completion of the Share Offer, the Offeror will review the businesses of the Group to consider and determine what changes, if any, would be necessary, appropriate or desirable, in both long term and short term, in order to best organise and optimise the businesses and operations of the Group.

As at the date of this joint announcement, the Offeror intends that the Group will continue to operate its business in substantially its current state. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group's businesses and operations in order to increase the value of the Group, taking into consideration the interests of the Shareholders as a whole.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror does not intend to avail itself of any powers of compulsory acquisition in respect of the Company. The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on the Stock Exchange and procure that not less than 25% of the entire issued share capital in the Company be held by the public in compliance with the Listing Rules. The sole director of the Offeror and the Director(s) to be appointed after the issue of the Composite Document will jointly and severally undertake to the Stock Exchange

to take appropriate steps following the close of the Share Offer to ensure that such number of Shares as may be required by the Stock Exchange are held by the public within the prescribed time frame. On 17 October 2016, the Offeror and Haitong International Securities have entered into a placing agreement pursuant to which Haitong International Securities has been appointed as placing agent for the reasonable efforts placing of such number of Shares to be held by the Offeror upon close of the Share Offer in excess of 360,000,000 (being such number of Shares representing 75% of Shares in issue), at a placing price being the then prevailing market price of the Shares, within a period of 90 days from the date immediately following the close of the Share Offer (or such other period as the Offeror and Haitong International Securities may agree in writing), to independent third parties who are not Shareholders. Accordingly the placing arrangement contemplated under the placing agreement will not take effect prior to the close of the Share Offer.

According to the Listing Rules, if, upon the close of the Share Offer, less than the minimum prescribed percentage applicable to the Company, being 25%, of the issued Shares are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange may exercise its discretion to suspend trading in the Shares.

PROPOSED CHANGE OF BOARD COMPOSITION

The Board is currently made up of eight Directors, comprising five executive Directors and three independent non-executive Directors. Subject to the review of the Offeror after Completion, the composition of the Board will change at the earliest time as allowed under the Takeovers Code and such change will be made in compliance with the Takeovers Code and the Listing Rules.

Save for the change in Board composition, the Offeror has no intention to discontinue the employment of the employees of the Group or to re-deploy the assets of the Group other than in the ordinary course of business.

Further announcement(s) will be published by the Company in respect of the changes to the Board pursuant to Rule 13.51(2) of the Listing Rules as and when appropriate.

GENERAL MATTERS RELATING TO THE SHARE OFFER

Availability of the Share Offer

The Offeror intends to make the Share Offer available to all Independent Shareholders, including those who are not resident in Hong Kong. The making and the implementation of the Share Offer to Independent Shareholders who are not resident in Hong Kong may be subject to the laws of the relevant overseas jurisdictions in which such Independent Shareholders are located. Such Independent Shareholders should inform themselves about and observe any applicable requirements and restrictions in their own jurisdictions, and where necessary, seek independent legal advice in respect of the Share Offer. It is the responsibility of such Independent Shareholders who have registered addresses outside Hong Kong and wish to accept the Share Offer to satisfy themselves as to the full observance of the applicable laws and regulations of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes payable by such Accepting Shareholders in such jurisdiction).

Any acceptance of the Share Offer by such overseas Independent Shareholders will be deemed to constitute a representation and warranty from such Independent Shareholders to the Offeror that the local laws and requirements have been complied with. The overseas Independent Shareholders should consult their professional advisers if in doubt.

Further agreements or arrangements

The Offeror confirms that, as at the date of this joint announcement:

- (i) the Offeror and parties acting in concert with it have not received any irrevocable commitment to accept or reject the Share Offer;
- (ii) save and except for the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement and the Share Charges, the Offeror and parties acting in concert with it do not hold, have control or have direction over any voting rights and rights over Shares, convertible securities, warrants or options in the Company;
- (iii) save for the Sale Shares and the Share Charges, the Offeror and parties acting in concert with it have not acquired any voting rights in or otherwise dealt for value in the Shares or rights over the Shares during the six-month period immediately prior to the date of this joint announcement;
- (iv) there is no outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror or any party acting in concert with it;
- (v) there is no outstanding options, warrants, derivatives or securities which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into Shares;
- (vi) save and except for (i) the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement; (ii) the secured bond issued by the Offeror in favour of Haitong International New Energy VIII Limited, an associated corporation of Haitong International Securities, which is secured by a share charge given by the Offeror in respect of 360,000,000 Shares it will hold in the Company; (iii) the Facilities; and (iv) the Share Charges, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Company and which might be material to the Share Offer (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (vii) there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Share Offer; and
- (viii) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or any party acting in concert with it have borrowed or lent.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises all the independent non-executive Directors, namely Mr. Chung Kwok Pan, Mr. Lai Kin Keung and Mr. Lau Chart Chou, has been established to make a recommendation to the Independent Shareholders in relation to the Share Offer as to whether the terms of the Share Offer are fair and reasonable and as to the acceptance of the Share Offer.

An Independent Financial Adviser will be appointed pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee in connection with the Share Offer. A further announcement will be made by the Company as soon as practicable after the Independent Financial Adviser has been appointed.

INFORMATION OF THE PURCHASER

The Purchaser (the Offeror) is an investment holding company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Lai. The sole director of the Purchaser is Mr. Lai.

During the nine-year period from August 2007 to June 2016, Mr. Lai has been a substantial shareholder of China Smarter Energy Group Holdings Limited (“**China Smarter**”), the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1004). He is currently, and has been for a total of around 6 years, an executive director of China Smarter whose principal businesses included trading of fur garments. From February 2002 to June 2009, Mr. Lai was an executive director of China Power New Energy Development Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 735).

Immediately prior to the entering into of the Sale and Purchase Agreement, the Purchaser and its ultimate beneficial owner did not hold any Share and were third parties independent of the Company and its connected persons.

INFORMATION OF THE GROUP

Principal activities

The Company is incorporated in the Cayman Islands and is an investment holding company. The Group is principally engaged in trading of apparel products and provision of apparel supply chain management services.

Financial Information

Set out below is a summary of the audited consolidated results of the Group for each of the two financial years ended 31 December 2014 and 2015 and the unaudited consolidated results of the Group for the six months ended 30 June 2016, as extracted from the accounts prepared in accordance with Hong Kong Financial Reporting Standards in the Company’s annual report for the year ended 31 December 2015 and the Company’s interim report for the six months ended 30 June 2016 respectively:

	For the year ended		For the six
	31 December		months ended
	2014	2015	30 June
	(audited)	(audited)	(unaudited)
	(HK\$’000)	(HK\$’000)	(HK\$’000)
Revenue	334,819	355,952	207,605
Profit/(loss) before tax	(16,803)	(4,378)	5,088

	As at 31 December 2014 (audited) (HK\$'000)	2015 (audited) (HK\$'000)	As at 30 June 2016 (unaudited) (HK\$'000)
Total assets	193,111	184,516	183,494
Total liabilities	51,010	48,087	43,044
Net assets	142,101	136,429	140,450

DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, associates (as defined under the Takeovers Code) of the Company and the Offeror, including persons who own or control 5% or more of any class of relevant securities issued by the Company or the Offeror, are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

For this purpose, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

The Offeror, its nominees or brokers or associates may from time to time make certain purchases of, or arrangements to purchase, Shares other than pursuant to the Share Offer, before or during the period in which the Share Offer remains open for acceptance in compliance with the Takeovers Code. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be reported to the SFC and will be available on the website of the SFC at <http://www.sfc.hk>.

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Offeror and the Board that the offer document from the Offeror and the offeree board circular from the Company be combined in a composite document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things,

details of the Share Offer (including the expected timetable in relation to the Share Offer), a letter from the Independent Board Committee and a letter from the Independent Financial Adviser in relation to the Share Offer, together with the relevant form of acceptance and transfer of Shares in respect of the Share Offer, will be despatched to the Independent Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code.

The Share Offer is a mandatory unconditional cash offer and will only be made if the Completion takes place. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers. This joint announcement is made in compliance with the Takeovers Code for the purpose of, among other things, informing the Shareholders and potential investors of the Company of the Share Offer to be made. The Directors make no recommendation as to the fairness or reasonableness of the Share Offer or as to the acceptance of the Share Offer in this joint announcement.

The Independent Shareholders are encouraged to read the Composite Document carefully, including the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser as to whether the terms of the Share Offer are fair and reasonable so far as the Independent Shareholders are concerned and its acceptance before deciding whether or not to accept the Share Offer.

DEFINITIONS

In this joint announcement, the following terms and expressions have the meanings set out below unless the context requires otherwise:

“Accepting Shareholders”	the Independent Shareholders who accept the Share Offer
“acting in concert”	has the meaning given to it in the Takeovers Code
“associate(s)”	has the meaning given to it in the Takeovers Code
“Board”	the Board of Directors
“Business Day”	a day (other than Saturday or Sunday or public holiday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which the Stock Exchange is open for the transaction of business
“Closing Date”	the date to be stated in the Composite Document as the first closing date of the Share Offer or any subsequent closing date as may be announced by the Offeror and approved by the Executive
“Company”	Hanbo Enterprises Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1367)
“Completion”	completion of the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement

“Composite Document”	the composite offer document and the response document to be jointly despatched by the Offeror and the Company in accordance with the Takeovers Code, among other things, details of the Share Offer, the acceptance and transfer forms, the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser as to whether the terms of the Share Offer are fair and reasonable so far as the Independent Shareholders are concerned and its acceptance before deciding whether or not to accept the Share Offer
“connected persons”	has the meaning given to it in the Listing Rules
“Directors”	directors of the Company
“Encumbrances”	mortgage, charge, pledge, lien, option, restriction, purchase right, right of first refusal, right of pre-emption, voting trust or agreement, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including a title transfer or retention arrangement) having similar effect
“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any of his delegates
“Facilities”	(i) loan facility of up to HK\$240,000,000 provided by Haitong International Securities, which is to be secured by a first ranking share charge given by the Offeror in respect of 360,000,000 Shares it will hold in the Company and a personal guarantee given by Mr. Lai (the “ HTSPA Facility ”); and (ii) loan facility of up to HK\$171,252,000 provided by Haitong International Securities, which is to be secured by a share charge in respect of the Offer Share(s) it will acquire through the Share Offer and a personal guarantee given by Mr. Lai (the “ HTGO Facility ”)
“Group”	the Company and its subsidiaries
“Guarantor A”	Mr. Liu Ying Yin James (“ Mr. Y. Y. Liu ”), the guarantor of Happy Zone Limited, which is wholly-owned by Mr. Y. Y. Liu and being one of the Vendors
“Guarantor B”	Mr. Liu Chung Tong (“ Mr. C. T. Liu ”), the guarantor of Capital Oasis Holdings Limited, which is wholly-owned by Mr. C. T. Liu and being one of the Vendors
“Guarantors”	Guarantor A and Guarantor B
“Haitong International Capital”	Haitong International Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser to the Offeror

“Haitong International Securities”	Haitong International Securities Company Limited, a fellow subsidiary of Haitong International Capital, and is a licensed corporation to carry out Type 1 (dealing in securities), Type 3 (leveraged foreign exchange trading) and Type 4 (advising on securities) regulated activities under the SFO, being the agent making the Share Offer on behalf of the Offeror
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Chung Kwok Pan, Mr. Lai Kin Keung and Mr. Lau Chart Chou, established by the Company to make recommendation to the Independent Shareholders in relation to the Share Offer
“Independent Financial Adviser”	an independent financial adviser to be appointed by the Company to advise the Independent Board Committee and to make recommendation to the Independent Shareholders in relation to the Share Offer
“Independent Shareholders”	Shareholders other than the Offeror
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Lai”	Mr. Lai Leong, who legally and beneficially owns the entire issued share capital of the Purchaser and is the sole director of the Purchaser
“Offer Share(s)”	issued Share(s) other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it
“Offeror” or “Purchaser”	Plus Value International Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Lai
“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser’s Guarantor”	Mr. Lai
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 17 October 2016 entered into among the Vendors, the Guarantors, the Purchaser and the Purchaser’s Guarantor in respect of the sale and purchase of the Sale Shares
“Sale Shares”	360,000,000 Shares beneficially owned by the Vendors as at the date of the Sale and Purchase Agreement and immediately prior to the Completion, representing 75.00% of the issued share capital of the Company as at the date of the Sale and Purchase Agreement
“SFC”	the Securities and Futures Commission of Hong Kong

“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Charges”	(i) the first ranking share charge given by the Offeror in respect of 360,000,000 Shares it will hold in the Company pursuant to the HTSPA Facility; (ii) the second ranking share charge given by the Offeror in respect of 360,000,000 Shares it will hold in the Company in relation to the secured bond issued by the Offeror in favour of Haitong International New Energy VIII Limited, an associated corporation of Haitong International Securities; and (iii) the share charge given by the Offeror in respect of the Offer Share(s) it will acquire through the Share Offer pursuant to the HTGO Facility
“Share Offer”	the possible mandatory conditional cash offer to be made by Haitong International Securities for and on behalf of the Offeror to acquire all of the issued Shares in the entire share capital of the Company (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it) in accordance with the terms and conditions set out in this joint announcement
“Share Offer Price”	the price at which the Share Offer will be made, being HK\$1.4271 per Offer Share
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning given to it in the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers published by the SFC, as amended, supplemental or otherwise modified from time to time
“Vendors”	Happy Zone Limited (which is wholly-owned by Mr. Y. Y. Liu), Mr. Cheng Lap Yin, Capital Oasis Holdings Limited (which is wholly-owned by Mr. C. T. Liu), Mr. Yu Yuen Mau, Banny and Mr. Kao Lap Shing
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the sole director of
Plus Value International Limited
Lai Leong
Director

By order of the board of directors of
Hanbo Enterprises Holdings Limited
Cheng Lap Yin
Chairman

Hong Kong, 17 October 2016

As at the date of this joint announcement, Mr. Lai is the sole director of the Offeror.

As at the date of this joint announcement, the Board comprises the executive directors of the Company, including Mr. Cheng Lap Yin, Mr. Liu Chung Tong, Mr. Liu Ying Yin, James, Mr. Kao Lap Shing and Mr. Yu Yuen Mau, Banny, and the independent non-executive directors of the Company, including Mr. Chung Kwok Pan, Mr. Lai Kin Keung and Mr. Lau Chart Chou.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with it), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.